GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1366
ANSWERED ON:24.07.2017
PNG Consumption
Diwakar Shri Rajesh Kumar

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government proposes to boost the PNG consumption in the country and if so, the details thereof;
(b) the steps taken/being taken by the Government to attract the distribution companies to the said policy and expand their business;
(c) the incentives being given to the distributors and the norms being relaxed to boost the consumption of PNG in the urban areas; and
(d) whether the Government has incorporated any guidelines for allocation of gas made available to the local industries, power plants before exporting to far off places which incur heavy expense over transportation and if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)
(a) to (c): Government has established Petroleum & Natural Gas Regulatory Board (PNGRB) under the PNGRB Act, 2006, in the year 2007. PNGRB is the statutory authority to grant authorization for the development of City Gas Distribution (CGD) network. PNGRB identifies the Geographical Areas (GA) for the development of CGD network depending on the natural gas pipeline connectivity/natural gas availability and feasibility for grant of authorization to develop CGD network in the country. PNGRB grants the authorization to the entities for developing CGD network through competitive bidding process. PNGRB has already authorized 81 GAs across the country for the development of CGD network and identified 228 GAs to be included in future bidding rounds subject to availability of natural gas and techno-commercial viability of the area. The Maximum Retail Price (MRP) is being fixed by the concerned authorized CGD entity.
The Government has taken following steps to boost the Piped Natural Gas (PNG) consumption:
(i) MoP&NG has framed policy guidelines to supply domestic gas to the CGD entities. The domestic gas is being supplied to meet entire requirement of Compressed Natural Gas (CNG) (transport) and domestic PNG segments based on last six monthly consumption data by the respective CGD networks.
(ii) The Ministry of Urban Development (MoUD) has issued advisory to the State Governments to speed up of CNG/PNG infrastructure.
(iii) The Ministry of Labour & Employment (MoLE) has declared CGD network as a "Public Utility" under the Industrial Dispute Act, 1947.
(iv) The Ministry of Defence (MoD) has issued guidelines to allow the development of PNG network into its establishments across the country.
(v) MoP&NG has also allowed the domestic gas as PNG supplies to the approved list of Non Domestic Exempted Category (NDEC) customers.
(vi) Government has set a target to Oil and Gas Public Sector Undertakings (PSUs) to achieve one crore PNG connections by 2019.
(d): At present, no domestic gas is being exported outside the country. However, the Government has accorded priority to supply domestic gas to CGD sector across the country followed by other sectors vide guidelines issued from time to time.
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